

Illinois Department of Revenue
Practitioners' Liaison Meeting
March 11, 2016

2015 Tax Legislation

PA 99-0004 Local Fire Protection Tax

Effective May 31, 2015

Allows for a Board of Trustees of a fire protection district to submit a question to increase the current special tax rate for the purpose of providing funds to pay the costs of emergency and rescue crews and equipment to the voters of the fire protection district by referendum. Also allows Adams County to impose a public safety retailers' occupation tax and service occupation tax at the rate of 0.25%, as provided in the referendum approved by the voters.

PA 99-0006 Prepaid Wireless Surcharge (E911)

Effective October 1, 2015

Increases the E911 surcharge rate outside the city of Chicago from 1.5 percent to 3 percent effective October 1, 2015. Also, extended a prior Chicago E911 Surcharge rate change to July 1, 2017.

PA 99-0014 Sanitary District Dissolution

Effective July 10, 2015

Eliminates a sanitary district in Cook County and allows the county to levy and collect a tax for the purpose of maintaining, constructing or replacing sewers with the aggregate amount of which for each year may not exceed 0.25%.

PA 99-0098 Property Tax Correspondence by Mail

Effective January 1, 2016

Amends the property tax code to provide that complaints and correspondence are considered filed on the date sent.

PA 99-0126 ROTA-Bailee

Effective July 23, 2015

Amends the Retailers' Occupation Tax Act. In a Section concerning the location where a retailer is deemed to be engaged in the business of selling tangible personal property, provides that a retailer selling tangible personal property to a nominal lessee or bailee under a conditional sales agreement is presumed to be engaged in the business of selling at the location where the property is first delivered to the lessee or bailee for its intended use.

PA 99-0164 Homestead Exemption

Effective July 28, 2015

Amends the property tax code to provide that a homestead exemption remains in effect for the remainder of the year of the sale and makes provisions for the notification and reapplication of homestead exemptions by the new owner.

PA 99-0180 Long-Term Care Residents Estimated Tax Payments

Effective July 1, 2015

Amends IITA Section 806, which exempts residents of certain long-term care facilities from the obligation to make estimated tax payments, to allow the exemption for residents of medically complex for the developmentally disabled facilities.

PA 99-0192 Cigarette Tax Training

Effective January 1, 2016

Amends the Cigarette Tax Act, the Tobacco Products Tax Act of 1995, and the Prevention of Tobacco Use by Minors and Sale and Distribution of Tobacco Products Act to modify and standardize the reporting and training requirements for licensed distributor-retailers.

PA 99-0213 REIT Revision**Effective July 31, 2015**

Provides that the voting power or value of the beneficial interest or shares of a real estate investment trust does not include any voting power or value of beneficial interest or shares in a real estate investment trust held directly or indirectly in a segregated asset account by a life insurance company for the benefit of persons who are immune or exempt from taxation under subtitle A of the Internal Revenue Code.

PA 99-0217 Private Label Credit Cards**Effective July 31, 2015**

Provides that a retailer is relieved from liability for any tax that becomes due and payable if the tax is represented by amounts that are found to be worthless or uncollectible, have been charged off in accordance with generally accepted accounting principles, and have been claimed as a deduction pursuant to Section 166 of the Internal Revenue Code on the taxpayer's federal income tax return. Provides for a deduction if the retailer had previously paid such a tax.

PA 99-0335 UPIA-Failure to File**Effective August 10, 2015**

Amends the Uniform Penalty and Interest Act. Provides that provisions imposing a penalty of \$100 for failure to file a transaction reporting return under the Retailers' Occupation Tax Act or the Use Tax Act apply only to transaction reporting returns that would not, when properly prepared and filed, result in the imposition of a tax (currently, those provisions apply regardless of whether a tax would be imposed). Provides that transaction reporting returns that would result in the imposition of a tax when properly prepared and filed are subject to the standard penalty for failure to file (2% of the tax required to be shown due on the return, up to a maximum amount of \$250).

PA 99-0367 Taxing District Website Posting/Truth in Taxation**Effective January 1, 2016**

Provides that the taxing district must post the truth in taxation notice on its website only if the website is maintained by the full-time staff of the taxing district. Provides that the failure of a taxing district to post the notice on its website shall not invalidate the notice or any action taken on the tax levy.

PA 99-0370 Business Assistance and Regulatory**Effective January 1, 2016**

Amended the Business Assistance and Regulatory Reform Act to require agencies to periodically review the effect of their regulations on small businesses every five years and report to the Governor and the General Assembly, with the first report due January 1, 2017.

PA 99-0375 Accessibility and Disabled Veterans Exemption**Effective August 17, 2015**

Provides that qualified accessibility improvements made to residential property shall not increase the assessed valuation of the property. Increases the property tax exemption for Veterans who have a service connected disability.

PA 99-0423 Illinois Income Tax Checkoff**Effective August 20, 2015**

Amends the Illinois Income Tax Act to create tax checkoffs for Special Olympics, the U.S.S. Illinois Commissioning Fund, and the Autism Care Fund. Amends the State Finance Act to make conforming changes. Effective immediately.

PA 99-0452 Business District Funds Use**Effective January 1, 2016**

Allows for a municipality to use revenues from a business district for eligible costs of a different business district if the districts are adjacent to one another.

PA 99-0464 Secure Choice Act Reports**Effective August 26, 2015**

Provides that the State Treasurer shall be the administrator for the Illinois Secure Choice Program Fund. Provides that certain notifications shall be given to the Treasurer rather than the Department of Revenue. Authorizes the Department of Revenue to adopt rules relating to penalties.